Ministry of
Energy and
Resources

INSTITUTIONAL CONTROL MONITORING AND MAINTENANCE FUND

and the

INSTITUTIONAL CONTROL UNFORESEEN EVENTS FUND

FINANCIAL INFORMATION

For the Year Ended March 31, 2008

Provincial Auditor Saskatchewan

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SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the Report to the Minister of Finance from the Ministry of Energy and Resources on the Institutional Control Monitoring and Maintenance Fund and the Institutional Control Unforeseen Events Fund (Report). Management of the Funds is responsible for preparing this Report for Treasury Board's approval. My responsibility is to express an opinion on the financial information contained in this Report based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial information in the Report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial information presentation.

In my opinion, the financial information in the Report presents fairly, in all material respects, the financial activity of the Funds for the year ended March 31, 2008 prepared in accordance with section 14(1) of *The Reclaimed Industrial Sites Act*.

Regina, Saskatchewan
July 23, 2008

Fred Wendel, CMA, CA
Provincial Auditor

Saskatchewan

Ministry of Energy and Resources

Report to the Minister of Finance from the Ministry of Energy and Resources on the Institutional Control Monitoring and Maintenance Fund and the Institutional Control Unforeseen Events Fund.

In 2007, the province legislated *The Reclaimed Industrial Sites Act* and *The Reclaimed Industrial Sites Regulations* to establish and enforce the Institutional Control Program (ICP). The ICP implements the process for the long term monitoring and maintenance of sites when mining/milling activities have ended, remediation has been completed and approved, and the transfer of the site to provincial responsibility. The two primary components of the ICP are the Institutional Control Registry and the Institutional Control Funds: the Monitoring and Maintenance Fund and the Unforeseen Events Fund.

The Monitoring and Maintenance Fund will pay for long term monitoring and maintenance; the Unforeseen Events Fund will pay for unforeseen future events. Examples of unforeseen events can be damage resulting from floods, tornadoes, or earthquakes. To address the province's risk of accepting sites into custodial responsibility and the costs of future monitoring and maintenance and unforeseen future events, dedicated site specific funding will be established by the site holder responsible for an individual site. The Funds will be managed by the Ministry of Energy and Resources (ER) on behalf of the province and are legislated and stand alone from provincial revenue.

As of March 31, 2008, the Institutional Control funds, the Monitoring and Maintenance Fund and the Unforeseen Events Fund, had not processed any financial transactions, nor had any assets or liabilities. Therefore, no formal financial statements have been prepared for either Institutional Control Fund for the year ended March 31, 2008. In accordance with section 14(1) of *The Reclaimed Industrial Sites Act,* I am submitting this one page report.

Glen Veikle

Glen Veikle
Acting Deputy Minister